App. F. IX-4

Previous References

1931-2

L. M. 91-29 (S.1) K. Jn.

File No. 28-31

Serial Nos. 1-24.

Later References

preserve

General and Revenue Secretariat.

Serial Nos. four

1-25. (E)

Part B for July 1932

SUBJECT.

Procedure for renewal of debenture

---

4) To

The Registrar of Cs.

D. 24 & 2.7.32.

States that it would be sufficient to adopt the procedure laid down in paras 47 & 50(a) of the Securities Manual in cases in which the amount involved does not exceed Rs. 1000/- provided the cases are clear and undisputed & that, in all doubtful cases, the Bank is right to insist on a Succession certificate or other legal proof.

C.W.S. To The Comptroller & the President, L.M. Bank

D. 25-26 & 2.7.32 Fds copy of the above

4435/31 34 K

Procedure for renewal of debentures

General and Revenue Secretariat | [App. F..III—2

File No. 28 of 193/.

Serial No.	
1.	From the Regr of Co-ops. No 6627 cs dy 16:3:32 — Fds quite his recommendation a Resolution of the Ex: Committee of the Board of Directors regarding the transfer of the debenture bonds held by a deceased person to his heir adopting the same procedure in such cases of renewal of debentures issued by the Bank as that prescribed for Govt. securities in the Registrar Securities manual. Subd. The procedure referred to relates (1) to the production of a certificate under Regn. VII of 1901 - (Heir certificate) 2. Permission to renew securities belonging to the deceased person by his heirs under certain conditions 3. The payment of certain fees in respect of applications for renewal. The point for orders is whether the debentures of the L.M. Bank are to be treated like those of Local Bodies for the purpose of the application of the Govt securities Regn & Rules thereunder. M 1915. 22/3. The resolution of the Executive Committee is produced — The Resolution of the Ex: Committee on which the Regr's recommendation is based seems to be in order. Law Dept may be consulted. 23/0/32 Yes MS 25/3

257 law

NOTE—Contn. Sheet.

Secr. Secy)

WD 70—GBPM—60,000—13-8-31

2,414 2,435

Procedure for renewal of debentures

LMC File No. 28 of 1931. | General and Revenue Secretariat

In the case of Govt securities, Regulation VIII of 1925 empowers the prescribed Officer to act as per the directions laid down in paras 37(1), 47 & 50(a) of the Securities Manual and Sections 16, 17 and 18 give a complete discharge in all such cases - In the case of the Debenture bonds issued by the K. M. Bank, the protection given under Reg VIII of 1925 cannot be claimed by the Bank and they will have therefore to adopt the procedure indicated only at their risk -

257
Law

If however the bye laws of the Bank or the ~~Contract~~ Covenants of the Debenture bond or the rules framed by Govt under Reg V of 1929, contain provisions giving a valid discharge to the Bank in such cases, there can be no legal objection to sanction the proposal of the Registrar.

In SBP. Please put up these KP. 7.4

Put up herewith
mg
9/4

Dev Br)

BMP
5/4

(E)

In the Prospectus of the Debenture Loan issued with the sanction of Govt., the debentures are said to be included amongst securities in which a trustee may invest trust funds. It would therefore appear that the Bank cannot absolve itself from liability, & has to seek the some protection from Govt. Since the repayment of the principal amounts of the debentures & interest is guaranteed by the Govt, it is for consideration whether the Bank should not be given the facilities asked for. The Comptroller may also be consulted, as he is the trustee. The file may be sent to him

mg
9/4

Dev. Secy)

C.O

Yes

mg
2/4

20/4/32

Procedure for Renewal of (3)
Debentures

[App. F. III—2

General and Revenue Secretariat | C/M File No. 28 of 1931. 348

Serial No.

Sent with a
I.t. in file 21-29
Appt of Regulation
M

No no 128 dy 26/4
do

ACCOUNTS OFFICER'S OFFICE
RECD 582
25 APR. 1932
S.L.
BANGALORE.

RCO No: 139 dy 22nd April 1931

Forwarded with Compliments
& the Comptroller to Govt. for favour of
opinion

By order

22/4/32
for Secy to Govt. Dept of Fin

MSW No no 3744/SL dy 29-4-32.; KB RCO 4245pl dy 29.4.32.

28/4 Returned with the Compliments—
I agree with the View of the Law
Department - some legislative authority
is necessary to apply the Rules relating
to Govt Securities, to these Cases

S. Shamanna
28/4

A S
Please
28/4
29/4
29/4

Secy to Govt
Comptroller
30/4

The A.S. Law Deptt
with whom I discussed
the matter personally
desired that legislative sanction
should be obtained to this case
that it will enable
the terms of the Rules
or the debenture bonds
themselves. With a view
to decide what exactly
the action should be
where he wanted
a copy of the debenture
bond for the Rules
please get these
typed up. 2
6/5/32

Calling for two Copies
A draft is put up
2
7/5
MD 6/5

TO
The Registrar of Cs
O S 736-d-12-5-32—
calls for a copy of the debenture
bond and of the rules relating
to the debentures

NOTE—Contn. Sheet.

WD 70—GBPM—60,000—13-8-31

From the Registrar CS,
No. 8284 dt. 14/16-5-32
Forwards the papers called for.
Sealed ~~forwarders~~.

To the Asst Secy, Law Dept
with Compts for favour of opinion.
28/5/32

3

I have examined the byelaws & rules issued under Reg V of 1929 as also the covenants of the Debenture bond. These contain no provision giving a valid discharge to the Bank in case they adopt the procedure laid down in paras 47 and 50(a) of the Securities Manual in dealing with claims to debenture bonds - Sections 53 and 66 of Reg V of 1929, as they stand do not enable byelaws or rules being made providing for a legal discharge in such cases - If therefore such a discharge is required, legislation would be necessary -

But it is a point for consideration, if it is necessary to undertake any legislation in this matter - The cases that would arise for the applⁿ of such legislation are far & few between and there is no reason why a private institution like the C-M. Bank should be placed in a special position in such matters. There are

(D No 2292 Leg - Dated 19-11-32)

The debenture bonds are already issued & consequently no new conditions can be laid in them at this stage.

Transfer of debentures of the Local bodies of deceased holders.

Serial No.

323
Law

local bodies, like the D.B.'s or municipalities, issuing debenture loans, and on the guarantee of Govt. and no special legislation is necessary on their behalf.

It would, I think, be sufficient therefore if the L.N. Banks are allowed to adopt the procedure laid down in paras 47 and 50(a) of the Govt. securities manual, in cases in which the amount involved does not exceed, say, Rs 1000/- and there is no disputed claim. In all doubtful cases however the Bank has to insist on a Succession Certificate or other such document. This is the practice adopted in similar cases by local bodies, such as the Shimoga D.B. etc. (Vide file relating to D.O. No. 2292/L.S.G. dated 19-11-1930)

A

Asst Secy, Dev
with compts

18/6
14/6

Dev. Secy)

A - may be communicated to the Govt.

13/6/32

The Law and Lab. Secy's suggestion may be accepted and the Govt may be informed accordingly.

1st member)

21/6
21/6/32

22/6/32

Send with a draft.

22/6

Dev. Secy)

For approval

24/6/32

Please submit draft in the form of letter

OFFICE OF THE FIRST MEMBER OF COUNCIL
21 JUNE 1932
8389

NOTE—Contn. Sheet.

AVD 70—GBPM—60,000—13-8-31.

Procedure for renewal of debent of the L. A. Bank

File No. 28 of 1931 | General and Revenue Secretariat

Srled with a draft letter as per orders above

27/6

Dev. Secy.)

For approval

28/6/32

Issue

29/6 29/6

TYPING SECTION 30 JUN 1932

To

The Regr of Cs

D 24 d 2-7-32

Secs that it would be sufficient to adopt the procedure laid down in paras 47 and 50(a) of the Securities Manual in cases in which the amount involved does not exceed Rs 1000/- provided the cases are clear and undisputed and that in all doubtful cases, the Bank ought to insist on a succession certificate or other legal proof.

To The comptroller.

The President, L A Bank

D 25.26 d 2-7-32

Forward Copy of the above

B

GENERAL SECRETARY 4 JULY DEVE

D 3486

No. 6827 C8/Encl. 2

DEPARTMENT OF CO-OPERATION.

GOVERNMENT OF MYSORE.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Telegraphic Address "CO-OPERT" BANGALORE

Dated Bangalore, 16th March 1932.

RM 28-31-1

FROM

K. H. RAMAYYA, ESQ., B.A., BAR-AT-LAW,
REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE,
BANGALORE.

DEVELOPMENT SECRETARIAT
17. MAR. 1932

To

7/3/32

B.T. Kesava Iyengar, Esq., B.A.,

GEN. & REV. SECT
DEVELOPMENT BRANCH

Secretary to Government,
Development Department,

Bangalore.

Sir,

I have the honour to forward herewith copy of letter No. S.I.318 dated 1st February 1932 together with a copy of Resolution No.11 recorded at the meeting of the Executive Committee of the Board of Directors of the Bank held on 24th January 1932 regarding transfer of the debenture bonds of the Bank held by one Mr. Amblur Subbannayya, deceased, to his son Mr. A. Krishna Rao, and to request that sanction of Government may, if there is no objection, kindly be obtained, allowing the Bank to adopt the same procedure in such cases of renewal of the debentures issued by the Bank as that prescribed for Government Securities in paragraphs35 (i), 47 and 50 (a) of the Mysore Securities Mannual.

I have the honour to be,
Sir,
Your most obedient servant,

K H Ramayya

AKM) 14/3

Registrar.

Letter No. S.I.318 dated 1st February 1932 from the Secretary, Land Mortgage Bank, Ltd., Bangalore, to the Registrar of Co-operative Societies in Mysore, Bangalore.

In forwarding herewith a copy of Resolution No.11 recorded at the meeting of the Executive Committee of the Board of Directors of this Bank, held on 24th January 1932, I am directed to state that Mr. Amblur Subbannayya, a holder of ten bonds of Rs.100/- each in the first series of debentures issued by the Bank, is stated to have died on 7th February 1931 and his only son Mr. A. Krishna Rao has applied for the transfer of the bonds to his name and the disbursement of the interest due on the bonds to him on the strength of a certificate granted by the Deputy Amildar Magistrate of Sringeri to the effect that the applicant is the only son of the deceased Mr. Subbanniah.

As there is no specific provision in the Bank's rules and byelaws for dealing with such cases, the Executive Committee of the Board have resolved thatGovernment be addressed through you to allow the Bank to adopt the same procedure as that prescribed for Government securities in paragraphs 35 (i), 47 and 50 (a) of the Mysore Securities Manual.

In these circumstances, I am to request that sanction of Government may be kindly obtained to the adoption of the procedure prescribed in the Mysore Government Securities Manual in the case of all debenture bonds issued by the Bank.

"Copy".

AKM) 14/3

Registrar.

Extract of Resolution No.11 recorded at the meeting of the Executive Committee of the Board held on 24th January 1932.

---

* * * *

11. Application dated 24-10-1931 from Mr. A. Krishna Rao, son of late Mr. Amblur Subbannaiya, for transfer of his father's debenture bonds to his name, and for payment of interest to him.

Resolved that Government be addressed through the Registrar of Co-operative Societies to allow the Bank to adopt the same procedure as in the case of Mysore Government Securities.

* * * *

"Extract"

AKM) 13/3

Registrar

Subscriptions lists will be closed on or before
30th June 1930 4

THE MYSORE CO-OPERATIVE LAND MORTGAGE BANK, LIMITED, BANGALORE CITY.

(Registered under the Mysore Co-operative Societies Regulation No.V of 1929).

Prospectus of Debenture Loan.

(First Series).

Issue at Par of State-guaranteed Debentures to the extent of Rupees three lakhs carrying interest at 5 per cent per annum free of Mysore Income-tax.

---

1. Under the authority vested by Section 56 of the Mysore Co-operative Societies Regulation No.V of 1929 and Clauses 28 to 36 of the Bye-laws of the Bank regulating the raising of funds by means of issue of debentures, and with the previous approval of the Government of Mysore conveyed in their Order No.G.12215-8/L.M. 21-29-2 dated the 16th April 1930 the Mysore Co-operative Land Mortgage Bank, Limited, have resolved to issue the first series of debentures to the extent of Rupees three (3) lakhs.

2. The Government of Mysore have taken up these debentures to the extent of Rupees one (1) lakh. The balance of Rupees (2) lakhs is available for public subscription.

3. The debentures are subject to the following conditions:-

(1) The debentures will be of only one denomination, viz., Rs.100/- and will be issued at par.

(2) The repayment of the principal amounts of the debentures at maturity as well as the payment of interest as it falls due, is guaranteed by the Government of Mysore.

(3) The debentures are exempt from Mysore Income-tax.

(4) The debentures will be secured by first mortgages on real property obtained by the Bank, the estimated value of the property charged being at least double the amount of the mortgages.

mortgages.

(5) The debentures carry interest at five percent per annum; provided however that with the previous sanction of Government the Bank shall be at liberty to effect a reduction in the rate of interest at any time after the expiry of ten years from the date of their issue and after giving the holders of the bonds the option to accept payment therefor in cash at par.

(6) The debentures shall be redeemable at par on 1st April 1960, but the Bank reserves to itself the right to redeem at par as many bonds as it may deem necessary, at any time after the expiry of ten years from the date of their issue, the bonds to be thus redeemed being selected by lot once every year.

Debentures in respect of which notice of redemption has been given to the holders by the Board of Directors must be given up on the expiry of the term mentioned in the notice and if the debentures are not so given up, the holder shall have no claim upon the Bank for interest accruing after the expiry of the term.

(7) The interest on the debentures will be paid half-yearly on the 30th June and 31st December at the Bank's Office in Bangalore City. Arrangement will however be made, on application, for payment of interest at any Treasury in the Mysore State.

(8) The debentures are exempt from stamp duty.

(9) As per Section 57 of the Mysore Co-operative Societies Regulation No.V. of 1929, these bonds (a) shall be deemed to be negotiable instruments to which the provisions of the Mysore Negotiable Instruments Regulation, 1917, apply; and (b) shall be included amongst securities in which a trustee may invest trust funds under any law for the time being in force in Mysore.

(10) (i) Debentures which, by reason of damage sustained, have become unfit for circulation, will be replaced at the request of the holder on giving up the damaged or defaced debentures provided that the essential marks for genuineness and identity, especially the number the amount, the rate of interest, the date and signatures of the authorised executing officers of the Board of Directors are still recognisable. Fresh debentures shall also be issued to replace completely destroyed

debentures when, in the opinion of the Board of Directors, the fact of destruction is proved without any doubt or uncertainty.

(ii) When such proof is not produced or when in case of damage the essential marks on the debenture are lost and no longer recognisable, as well as in all cases in which the debenture has been stolen from the owner or has been in other ways mislaid, a new debenture will only be issued when the debenture which is alleged to be missing or marks unrecognisable has been previously advertised for by the claimant in the manner prescribed by the Board of Directors and its nullity legally declared.

(iii) The re-issue shall be made for the same amount under the same number with the addition of the word "renewed". A fee of one rupee will be charged for every renewed debenture thus issued.

(11) Under No. (2) of the Rules relating to Mysore Co-operative Land Mortgage Bank issued with Government Order No. G.5929/L.M.4-29-4 dated the 11th November 1929, a trustee will be appointed by Government to secure the fulfilment of the obligations of the Bank to the holders of these debentures.

For Chief Secretary to Government.

Form of application.

The President,

Mysore Co-operative Land Mortgage Bank, Limited,

Albert Victor Road, Chamarajapet, Bangalore City.

I request that . . . debenture bonds of the value of Rs.100/- each, in the First Series of debenture loan to be raised by the Myso Co-operative Land Mortgage Bank, Limited, may be registered in my name on the terms mentioned in the Prospectus and I herewith remit Rs. . . . only, being their full value.

Place . . . . . .

Date . . . . . Signature of Subscriber.

Full name and address of subscriber.

Note - This application must be filled up and signed by the subscriber and forwarded to the President of the Bank with full amou or a cheque for the same on the Bank of Mysore, Bangalore. It may also be presented at any Mysore Government Treasury with duplicate chellans in the usual form. One of the chellans will be returned t the party with the Treasury Officer's acknowledgment. This chellan should be retained and exchanged for the debenture to be issued late on.

2. The Treasury Officer will return the application with the certificate noted below to the subscriber who will then forward it to the Bank.

Treasury Officer's Certificate.

Certified that I have received from . . . . . the sum of Rs. . . . . being the amount paid on account of . debentures in the Mysore Co-operative Land Mortgage Bank, Limited.

Place . . . . . Treasury Officer,

Seal of the Treasury. . . . . Treasury.

Appendix F G—1]

8

SUBJECT .....

.....

.....

Section L.m

File No. 20-31

Serial No. 2

Diary No. of letter replied to .....

No D.5736

To The Registrar C.S.

Sir,

With reference to your letter No 6627 C.S. of 16.3.32, regarding the renewal by a deceased person being the debentures issued by the L.m Bank, I am directed to request you to be so good as to forward for reference a copy of the Debenture Bond and of the Rules relating to the debentures ~~bonds~~. An early reply is requested.

Thanks

7/5

for Dev. Secy

General and Revenue Secretariat

( )

the 193 .

Date of issue 12/5/32

Signed by Mr. B. Mudduttishnappa

List of enclosures .....

Copied by Jay 7/5

Examined by .....

No. 8284 Secy

9

DEPARTMENT OF CO-OPERATION
GOVERNMENT OF MYSORE.

Telegraphic Address: "CO-OPERT" BANGALORE

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Dated, Bangalore, 14th. May. *1932*.

16

L07 28-31-3

GEN. & REV. SECRETARIAT 4440 18 MAY 1932 DEVELOPMENT BRANCH.

FROM

K. H. RAMAYYA, ESQ., B.A., BAR-AT-LAW,
REGISTRAR OF CO-OPERATIVE SOCIETIES
IN MYSORE, BANGALORE.

DEVELOPMENT SECRET. 16 MAY 1932

To

The Secretary to Government,
Development Department,
Bangalore.

Sir,

Subject:- Transfer of the debentures of the Land Mortgage Bank held by a person to his legal heir on his demise.

With reference to your letter No.D. 5736/LM 28-31-2 dated 12th May 1932, regarding the above, I have the honour to forward herewith a copy of the debenture bond relating to the first series issued by the Mysore Co-operative Land Mortgage Bank, as also a copy of the prospectus - - approved by Government. The rules relating to these debentures are - contained in byelaws Nos. 28 to 36 of the Land Mortgage Bank's byelaws, a copy of which is also enclosed for ready reference. A copy of Government Order No. G.12215-18/LM 28-29-2 dated 16th April 1930 authorising the Bank to issue the debentures is herewith enclosed for ready reference As the party referred to in my letter of the 16th March 1932(i.e. Mr. S. Krishna Rao Son of the late Mr. Ambluy Subbaniah) is reported to be pressing for the payment of interest on the bonds for the last two half-years, I request that early orders of Government may kindly be obtained in the matter.

I have the honor to be,
Sir,
Your most obedient Servant,

K H Ramayya
Registrar.

G.O. No. G.12215-8-L.M. 21-29-2, dated 11th April 1930

Debentures.

Authorises the Mysore Co-operative Land Mortgage Bank to issue--to the extent of rupees three lakes subject to certain conditions.

****

Read---

Para 5 of Government Order No. G. 11438-44--Sany. 30-26-7, dated the 10th April 1928, sanctioning the establishment of a Central Land Mortgage Bank at Bangalore and stating, among other things that the Government will be prepared to invest in the Bank , if necessary, an aggregate sum of five lakhs of rupees at the rate of rupees one lakh for each of the first two years and the balance of three lakhs in amounts equivalent to the amount - - raised by the Bank from the public in any particular year.

2. Government Order No. G.6941-4-L.M. 14-29-1, dated the 4th December 1929, issuing orders in regard to the grant of certain concessions to the Mysore Co-operative Land Mortgage Bank and directing, among other matters, that the repayment at maturity of the principal amount of the debenture bonds to be issued by the Bank, as well as the payment of interest as it falls due limited to 5 per cent per annum free of income-tax, be guaranteed by Government to the extent of the first ten lakhs only.

3. Letter No. 5061C.S. dated the 12th March 1930, from the Registrar of Co-operative Societies in Mysore, forwarding - - letters Nos. 664 and 700, dated the 3rd and 4th March 1930, respectively from the President, theMysore Co-operative Land Mortgage Bank, Limited, Bangalore City,and requesting sanction for the issue of debentures to the extent of Rs,3 lakhs by the Bank subject to certain conditions.

Order No. G.12215-8 L.M. 21-29-2, Dated 11th April 1930

The President of the Mysore Co-operative Land Mortgage

Land Mortgage Bank, Limited, Bangalore City, requests sanction for the issue of debentures by the Bank to the value of Rs.3 lakhs and reports that the conditions precedent prescribed for enabling such issue have been satisfied. The Registrar of Co-operative Societies supports the request. Under section 56 of the Mysore Co-operative Societies Regulation, Government are pleased to - - sanction the issue by the Mysore Co-operative Land Mortgage Bank, Limited, of debentures to the value of three lakhs of rupees subject to the following conditions:--

(1) The debentures to be of Rs.100 each, numbered 1 to 3,000 inclusive.

(2) The debentures to carry interest at 5 per cent per annum (free of income tax) the interest being payable every half-year on the 30th June and 31st December each year on production of the interest coupons at the office of the Bank on those days or on subsequent days.

(3) The whole of the amount of rupees one lakh sanctioned by Government to be placed at the disposal of the Bank as a deposit in Government Order No. G.11376-8-L.M. 18-29-4, dated the 21st March 1930, to be converted into debentures in this issue and the debentures to be handed over to Government.

(4) The capital raised by debentures to be ear-marked for the grant of long term loans on the mortgage of agricultural lands as required under Bye-law No.35 of the Bank.

(5) The maximum period within which the debentures should be redeemed to be fixed at 30years subject to the condition that the Bank shall not redeemed any debentures within a period of 10years from the date of issue.

(6) Till long term loans on the mortgage of agricultural lands are actually sanctioned and documents are obtained therefor, the amount raised by debentures to be kept in liquid from in the Government Treasury or the Bank of Mysore in the name of the trustee of the Bank appointed by the Government, the amount required to make payments of the sanctioned loans after documents are got - -

are got properly executed being drawn and disbursed to the Bank by the Trustee.

2. Under section 56 of the Mysore Co-operative Societies - - Regulation as amended by Regulation V of 1929, Government are pleased to sanction the issue of debentures by the Land Mortgage Bank to the extent of rupees three lakhs, subject to the conditions specified above. Government note that the draft - form of the debentures will be submitted for approval at an - early date.

"Copy"

****

H H Ramaiya
Registrar, Co-operative Societies
in Mysore.

14/5/43

Mysore Co-operative Land Mortgage Bank, Limited, Bangalore City.

(Registered under the Mysore Co-operative Societies Regulation No.V of 1929)

D E B E N T U R E.

First series of Guaranteed Debentures of Rs.100 each, bearing interest at five per cent per annum free of Mysore Income-tax.

This issue is made under the authority vested in the Bank under section 56 of the Mysore Co-operative Societies Regulation No.V of 1929, and Clauses Nos.28 to 36 of the byelaws of the Bank and with the previous approval of the Government of Mysore as conveyed in their Order No. G. 12216-8/L.M. 21-29-2 dated the 16th April 1930.

First series debenture No. Rs.100.

In consideration of value received, the Mysore Co-operative Land Mortgage Bank, Limited, Bangalore City, (hereinafter called the Bank), binds itself to pay to Mr.....his heirs, Executors, or administrators, or his or their order, the sum of Rupees one hundred only on demand at the Bank's office in Bangalore City, on the first day of April 1960, or on such earlier day as the principal amount hereby secured becomes payable in accordance with the conditions endorsed hereon, and until such payment is made, to pay interest thereon at the rate of five per cent per annum every half-year -- on the 30th day of June and 31st day of December in each year -- the first of such half yearly payments to be made on the 31st Day of December 1930.

2. The interest is payable on presentation of this debenture at the Bank's office in Bangalore City. Arrangement will, however, be made on application for payment of interest at any Government Treasury in the Mysore State.

3. The repayment of the principal amount of this Debenture at maturity as well as the payment of interest as it falls due, is guaranteed by the Government of Mysore.

4. Under Section 57 (a) of the Mysore Co-operative Societies Regulation No.V of 1929, this debenture is to be treated as a Negotiable Instrument to which the provisions of the Mysore Negotiable Instruments Regulation, 1917, apply.

C o n d i t i o n s.

With the previous sanction of the Government of Mysore, the Bank shall be at liberty to effect a reduction in the rate of interest at any time after the expiry of 10 years from the date of issue of these Debentures and after giving the holders thereof the option to accept payment therefor in cash at par.

(ii) The Bank may also redeem at par as many of these debentures as it may deem necessary at any time after the expiry of ten years from the date of their issue, the Debentures to be thus redeemed being selected by lot once every year. Debentures in respect of which notice of redemption has been given by the Bank, must be given up by the holders on the expiry of the term mentioned in the notice and if they are not so given up, the holder shall have no claim upon the Bank for interest accruing after the expiry of the term.

(iii) For purposes of the above-mentioned conditions, publication of a notice by the Bank in the Mysore Gazette shall be deemed to be sufficient notice. Individual notices will also, however, be given by the Bank to such of the Debenture-holders as may have their names registered in the Bank's office for this purpose on payment of a fee of four annas.

Given under the special seal of the Bank this day of

day of one thousand nine hundred and thirty.

-.....President.

.....Director.

.....Director.

Registrar, Co-operative Societies
in Mysore.

THE SUBSCRIPTION LIST WILL BE CLOSED ON OR BEFORE 30th JUNE 1930

The Mysore Co-operative Land Mortgage Bank Ltd.,

Bangalore City

(Registered under the Mysore Co-operative Societies Regulation No. V of 1929.)

PROSPECTUS OF DEBENTURE LOAN

(First Series)

Issue **AT PAR** *of State-guaranteed Debentures to the extent of Rupees Three Lakhs carrying interest at 5 per cent per annum free of Mysore Income Tax.*

1. Under the authority vested by Section 56 of the Mysore Co-operative Societies Regulation No. V of 1929 and clauses 28 to 36 of the Bye-laws of the Bank regulating the raising of funds by means of issue of debentures, and with the previous approval of the Government of Mysore conveyed in their Order No. G. 12215-8/L.M. 21-29-2 dated the 16th April 1930, the Mysore Co-operative Land Mortgage Bank, Ltd., have resolved to issue the first series of debentures to the extent of Rupees Three (3) lakhs.

2. The Government of Mysore have taken up these debentures to the extent of Rupess One (1) lakh The balance of Rupees Two (2) lakhs is available for public subscription.

3. The debentures are subject to the following conditions:—

(1) The debentures will be of only one denomination, *viz.*, Rs. 100/- and will be issued at par.

(2) The repayment of the principle amounts of the debentures at maturity as well as the payment of interest as it falls due, is guaranteed by the Government of Mysore.

(3) The debentures are exempt from Mysore Income-tax.

(4) The debentures will be secured by first mortgages on real property obtained by the Bank, the estimated value of the property charged being at least double the amount of the mortgages.

(5) The debentures carry interest at five per cent per annum ; provided however that with the previous sanction of Government the Bank shall be at liberty to effect a reduction in the rate of interest at any time after the expiry of ten years from the date of their issue and after giving the holders of the bonds the option to accept payment therefor in cash at par.

(6) The debentures shall be redeemable at par on 1st April 1960, but the Bank reserves to itself the right to redeem at par as many bonds as it may deem necessary, at any time after the expiry of ten years from the date of their issue, the bonds to be thus redeemed being selected by lot once every year.

Debentures in respect of which notice of redemption has been given to the holders by the Board of Directors must be given up on the expiry of the term mentioned in the notice and if the debentures are not so given up, the holder shall have no claim upon the Bank for interest accruing after the expiry of the term.

(7) The interest on the debentures will be paid half-yearly on 30th June and 31st December at the Bank's Office in Bangalore City. Arrangement will however be made, *on application*, for payment of interest at any Treasury in the Mysore State.

(8) The debentures are exempt from stamp duty.

(9) As per Section 57 of the Mysore Co-operative Societies Regulation No. V of 1929, these bonds

(a) shall be deemed to be negotiable instruments to which the provisions of the Mysore Negotiable Instruments Regulation, 1917, apply; and

(b) shall be included amongst securities in which a trustee may invest trust funds under any law for the time being in force in Mysore.

(10) (i) Debentures which, by reason of damage sustained, have become unfit for circulation, will be replaced at the request of the holder on giving up the damaged or defaced debentures provided that the essential marks for genuineness and identity, especially the number, the amount, the rate of interest, the date and signatures of the authorised executing officers of the Board of Directors are still recognizable. Fresh debentures shall also be issued to replace completely destroyed debentures when, in the opinion of the Board of Directors, the fact of destruction is proved without any doubt or uncertainty.

(ii) When such proof is not produced or when in case of damage the essential marks on the debenture are lost and no longer recognizable, as well as in all cases in which the debenture has been stolen from the owner or has been in other ways mislaid, a new debenture will only be issued when the debenture which is alleged to be missing or unrecognisable has been previously advertised for by the claimant in the manner prescribed by the Board of Directors and its nullity legally declared.

(iii) The re-issue shall be made for the same amount under the same number with the additon of the word "renewed". A fee one Rupee will be charged for every renewed debenture thus issued.

(11) Under No. (2) of the Rules relating to Mysore Co-operative Land Mortgage Bank issued with G. O. No. G. 5929 L.M. 4-29-4 dated the 11th November 1929, a trustee will be appointed by Government to secure the fulfilment of the obligations of the Bank to the holders of these debentures.

THE INDIAN PRESS, BANGALORE CITY

FORM OF APPLICATION

To

The President,

The Mysore Co-operative Land Mortgage Bank, Ltd.,

Albert Victor Road, Chamarajpet, BANGALORE CITY.

Sir,

I request that.....debenture bonds of the value of Rs. 100/- each, in the First Series of debenture loan to be raised by the Mysore Co-operative Land Mortgage Bank, Ltd., may be registered in my name on the terms mentioned in the Prospectus and I here with remit Rs.....only, being their full value.

Place.....

Date..... Signature of Subscriber

Full name of Subscriber.....

Address.....

.....

Note :—This application must be filled up and signed by the subscriber and forwarded to the President of the Bank with full amount or a cheque for the same on the Bank of Mysore, Bangalore. It may also be presented at any Mysore Government Treasury with duplicate chellans in the usual form. One of the Chellans will be returned to the party with the Treasury Officer's acknowledgment. This chellan should be retained and exchanged for the debenture to be issued later on.

2. The Treasury Officer will return the application with the certificate noted below to the subscriber who will then forward it to the Bank.

TREASURY OFFICER'S CERTIFICATE

Certified that I have received from.....
the sum of rupees.....
being the amount paid on account of.....debentures in the Mysore Co-operative Land Mortgage Bank Ltd.

Place.....

Date..... Treasury Officer,

.....Treasury.

Seal of the Treasury.

6 crne. 17

Appendix F G—1]

SUBJECT .....

.....

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Section L.m

File No. 28-31

Serial No. 4

Diary No. of letter replied to .....

No. D 24

To The Regr of C.S.

Sir,--

General and Revenue Secretariat

( )

the 193 .

Date of issue 2/7/32

Signed by Mr. B. Muddutiriahappa

With refce to the Correspondence ending with your letter no 8234 & 14/16 S-32 requesting sanction of Govt to allow the L.m. Bank to transfer in the names of ~~the~~ debentures ~~held by a person or~~ deceased persons his demisee, & the legal heirs adopting the ~~same~~ procedure prescribed ~~for~~ ~~in cases of renewal of the debentures etc~~ ~~prescribed for Govt securities~~ in paragraphs 35(1), 47 and 50(a) of the Mysore Securities manual, I am directed to state that Govt consider that it would be sufficient if the L.m Banks ~~are allowed to~~ adopt the procedure

List of enclosures .....

Copied by .....

Examined by .....

laid down in paras 47 and 50(a)
of the Repose Securities Manual ~~on Cycle undisputed cases~~
~~provided~~ where in cases in which the amount
involved does not exceed Rs 1000/-
provided the cases are clear & undisputed.
~~and there is no disputed Claim~~.

In all doubtful cases, however,
the Bank ~~must~~ ought to insist on a
Succession Certificate or other
legal proof
~~such documents~~.

Thanks

M
2/5/16
Dev Seey
2/5/16

Memo: S. 25-26

Copy forwarded with Compts
to the Comptroller & Govt for
Procdr. of Bank
information.

B.O.

2/5/16 Dev. Seey

Copy to the Postal Branch
Copy - Financial Branch.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

No. R. D. 24 / as. LM. 28-31-4 General and Revenue Secretariat,

Dated, Bangalore, 1st July *193* 2

FROM

B. T. Kesavaiengar Esq., B.A.,

Secretary to the Government of His Highness the Maharaja of Mysore.

Development Department.

To

K. H. Ramayya Esq., B.A., Bar-at-Law.,
Registrar of Co-operative Societies in Mysore.

SIR,

With reference to the correspondence ending with your letter No.8234 dated 14/16th May 1932 requesting sanction of Government to allow the Land Mortgage Bank to transfer debentures in the names of deceased persons to their legal heirs adopting the procedure prescribed in paragraph 35(1), 47 and 50(a) of the Mysore Securities Manual, I am directed to state that Government consider that it would be sufficient to adopt the procedure laid down in paras 47 and 50(a) of the Mysore Securities Manual in cases in which the amount involved does not exceed Rs.1000/- provided the cases are clear and undisputed. In all doubtful cases, however, the Bank ought to insist on a succession certificate or other legal proof.

I have the honor to be,
Sir,
Your most obedient servant,

For Secretary to Government,
Development Department.

D.A.L.G